

TESTIMONY OF
DAVID MORGAN, PRESIDENT AND CEO
JOHNSON MEMORIAL MEDICAL CENTER
BEFORE THE
APPROPRIATIONS COMMITTEE
Friday, February 22, 2013

HB 6350, AN ACT CONCERNING THE BUDGET FOR THE BIENNIUM ENDING JUNE 30, 2015, AND
OTHER PROVISIONS RELATING TO REVENUE

I want to tell you a story. Three weeks ago, as the blizzard raged in our state, Robert Kelly felt a sharp pain in his back at home in Stafford. He was suffering from a ST elevation myocardial infarction, a condition with substantial mortality requiring tertiary care intervention. As that was clearly not possible, he was brought to Johnson's Emergency Department where his condition was stabilized. With the cooperation of town, a conga line of plows was dispatched to plow him to Bay State Hospital where he received definite care. Mr. Kelly is alive today. He would not be if Johnson had not been here to provide definitive care.

My name is David Morgan. I am the President and CEO of Johnson Memorial Medical Center, the holding corporation of Johnson Memorial Hospital.

For those of you who are unaware, Johnson Memorial Medical Center is located in rural North Central Connecticut, one of only a few hospitals in the state directly and conveniently available to these constituents in a timely manner.

You have heard, and will hear, graphic testimony about what this budget will do to health care in the state. You may or may not believe all of it, but I plead with you to listen carefully. I ask you to weigh the information you have been receiving from OPM and consider the fact that while many of the ordinal numbers you are hearing may be true, the context could not be more misleading. No amount of spin can change the fact that we lose, and will continue to lose significant dollars on every Medicaid patient we see. The plain truth is that the state is spending more money because the Medicaid population is growing. There is no windfall, only continued losses.

You are striking at the very heart of the safety net that the state has pledged to preserve. We are the health care safety net. We lose millions of dollars every day providing care that the state mandates us to provide, yet fails to reimburse at even our costs. And now you are cutting the very program that helps those of us who bear a heavier weight of your burden. These cuts jeopardize the very existence of Johnson Memorial Hospital.

Johnson emerged from bankruptcy, a feat in and of itself, after two years in 2010. We have already done all that the state is suggested we should be doing. We have reduced our expenses by millions, cutting our staffing to the very bone, eliminating over 115 FTEs.

We have reevaluated and resized our programs. Our employees went without raises for three years. We are currently the lowest paid employees in the state, and one of the least expensive hospitals per discharge statewide.

In addition to the health care services you jeopardize in the region, 1,050 jobs will be lost. I have brought copies of my audited financial statements for your information, if you are so moved. The first round of jobs is gone forever, and the well is dry.

While the fiscal 2013 rescissions jeopardize our ability to keep our doors open; this biennial budget seals our fate. In an ironic twist, this budget jeopardizes the least expensive hospitals in the state.

Johnson is the canary in the mine shaft. If you pass this budget as it stands, you will do so knowing you will be making life and death decisions, both figuratively, and as you have just heard, literally.

Thank you for your attention to my remarks.